

KANSAS RACING AND GAMING COMMISSION

MINUTES – FEBRUARY 12, 2021

CALL TO ORDER
(A.)

Chairman David Moses called the February 12, 2021 meeting to order at 9:30 a.m. The meeting was held via teleconference. Notice of this teleconference was given to the public via the KRGC website, Public Square website, and social media. Commissioners Brandon Jones, Larry Turnquist, Dave Myres, and Kelly Kultala were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Electronic Gaming Roger Bailey, Director of Electronic Security and IT Dennis Bachman, Director of Security Joe Herridge, Recording Secretary Sarah Lynch-Chaput, and other staff.

MOTION, EXECUTIVE
SESSION; ATTORNEY-
CLIENT PRIVILEGE AND
BACKGROUND REPORTS
(B.)

Commissioner Myres (Kultala) moved that the Commission go into executive session for the purpose of discussing confidential facility manager financial information related to Kansas Star Casino; confidential attorney-client privileged communications; and reviewing the list of confidential backgrounds for licensing. In addition to the commissioners, those included were the executive director and general counsel for the confidential facility manager financial information and attorney-client privilege portions, and the executive director, general counsel, and director of security for reviewing the list of confidential backgrounds for licensing. The total time for the executive session was anticipated to be twenty-six minutes until 10:00 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried unanimously and the meeting was adjourned to executive session at 9:34 a.m.

RECONVENE
(C.)

The commission meeting returned to open session at 10:03 a.m. with all members present.

MOTION, APPROVE
AGENDA
(D.)

Commissioner Jones (Turnquist) moved to approve the agenda. Motion carried unanimously.

MOTION, APPROVE
JANUARY 15, 2021
MEETING MINUTES
(E.)

Commissioner Kultala (Myres) moved to approve the minutes of the January 15, 2021 meeting. Motion carried unanimously.

MOTION, APPROVE
CONSENT AGENDA
(F.)

Commissioner Turnquist (Jones) moved to approve the consent agenda. Motion carried unanimously.

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; BOOT
HILL CASINO & RESORT
(G.1.a.)

Diane Giardine, General Manager, reported:

- January 2021 revenue numbers compared to January 2020:
 - Total gaming revenue up 14.52%
 - Total slot revenue up 16.77%
 - Table games revenue down 0.07%
- Events and Promotions:
 - Weekly Kiosk Games
 - Weekly Food and Beverage Specials
 - Gift Promotions
 - Bills on Us Promotions
 - Big Game Promotion
 - Chinese New Year Kiosk Game
 - Valentine's Day Food and Beverage Specials
 - Everclear with Fastball, April 24th
 - Lee Brice, May 14th
 - Jeff Dunham, August 13th
- Boot Hill Casino's COVID-19 precautions and the impact on staff and patrons

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
STAR
(G.2.a.)

Jeff Babinski, Vice President and General Manager, reported:

- January 2021 revenue numbers compared to January 2020:
 - Admissions down 44%
 - Total gross gaming revenue down 3.2%
 - Slot coin-in up 4.4%
 - Slot hold down 0.44 points
 - Table games drop down 12.2%
 - Table games hold down 1.8 points
 - Poker room remains closed
- Events and Promotions:
 - Asian Variety Show, February 12th
 - Wichita Flea Market, February 19th – 21st
 - USA Wrestling D2, March 5th and 6th
 - KNOA Banquet Event, March 8th – 10th
 - USA Wrestling State Tournament, March 11th – 14th

- Wichita Flea Market, March 19th – 21st
- Adult Prom, March 27th
- Kansas Star Casino's COVID-19 precautions and the impact on staff and patrons

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
HOLLYWOOD CASINO AT
KANSAS SPEEDWAY
(G.3.a.)

Al Thompson, Vice President of Casino Operations, reported:

- January 2021 revenue numbers compared to January 2020:
 - Admissions down 27%
 - Total gaming revenue \$10.6 million, a decrease of 10.9%
 - Slot revenue \$9.9 million, a decrease of 8.7%
 - Table games revenue \$686,000, a decrease of 14%
 - Poker room remains closed
- Events and Promotions:
 - Mystery Drum, February 6th
 - 2020 Winners Party - \$75,000, February 20th
 - Pull Tabs, February 27th
- Hollywood Casino's COVID-19 precautions and the impact on staff and patrons

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
CROSSING CASINO
(G.4.a.)

Jeff McCain, General Manager, reported:

- January 2021 revenue numbers compared to January 2020:
 - Admissions down 29%
 - Net slot revenue up 0.8%
 - Table games drop down 28%
 - Net gaming revenue down 2.0%
- Events and Promotions:
 - Casino Hot Seats, February Mondays and Thursdays
 - Point Multiplier Kiosk Games, February Tuesdays
 - Camp 49 Hot Seats and Lunch Specials, February Wednesdays
 - Smash and Grab Promotion, February Fridays
 - Amazon Gift Card Promotion, February Saturdays
 - Chinese New Year Promotion, February 12th
 - Bank Buster Progressive Drawing, February 26th
- Kansas Crossing Casino's COVID-19 precautions and the impact on staff and patrons

COMMISSION ITEMS –
OLD BUSINESS
(H.)

There were no old business items.

COMMISSION ITEMS –
NEW BUSINESS;
ELECTION OF
COMMISSION VICE-
CHAIRMAN AND
SECRETARY
(I.)

The Kansas Racing and Gaming Commission is required by state statute K.S.A. 74-8803(i) to annually elect a vice chair and secretary. Chairman Moses was the vice chair prior to being appointed to Chairman by the Governor. Commissioner Turnquist is the current secretary. Commissioner Turnquist (Jones) nominated Commissioner Kultala as Vice Chair. The nomination carried unanimously. Commissioner Myres (Kultala) nominated Commissioner Turnquist as Secretary. The nomination carried unanimously.

PUBLIC COMMENTS
(J.)

There were no public comments.

STAFF REPORTS
(K.1.a. and K.2)

Sarah Lynch-Chaput, Paralegal, reported on the Voluntary Exclusion Program statistics for the month of January 2021.

Executive Director Brownlee reported:

- The Statehouse is still closed to the public. KRGC continues to monitor bills related to racing or gaming issues virtually.
- Brandi White, KRGC Director of Administration, Finance, and Audit, addressed the House Committee on General Government Budgets on the KRGC budget. The committee worked the budget and approved it on February 10, 2021. The budget committee will report the budget to House Appropriations on February 12, 2021. The Senate budget committee will hear the budget on February 16, 2021.
- There are currently twenty-five states with sports wagering.
- There have been two sports wagering bills introduced in the Kansas Legislature. Senate Bill 84 had a hearing this past week and is expected to be worked on February 24, 2021. House Bill 2199 was introduced by Representative Barker and is expected to be heard on February 17 and 18, 2021.
- There have been conversations in committee hearings regarding the Legislature having the ability to approve contract extensions for the casinos. The original facility manager contracts with the Lottery are for fifteen year terms. Governor Kelly agreed to extend the Boot Hill Casino contract last year. The Kansas Crossing Casino contract extension with the Kansas Lottery was signed last week.
- Penn Gaming, the parent company of Hollywood Casino, is attempting to sell the Tropicana Casino in Las Vegas to help with covid-19 related losses.
- The tribal casino being built in Park City, KS has plans to open in February 2021. In the last week or so, the casino was

installing slot machines. There has been no movement on the lawsuit filed by the Kansas Attorney General to attempt to halt the opening of that casino.

- The Secretary of Administration said last week that state offices will likely remain closed until at least late summer 2021.
- State employees in Shawnee County will receive the COVID-19 vaccine through the state health department. Dissemination will follow the same phase requirements as the rest of the state, which is currently in Phase 2. The vaccine is not mandatory for state employees. Neither the state nor the KRGC will track whether an employee receives the vaccine.
- Last weekend, the KRGC IT employees worked with the state IT department to move the KRGC servers out of the Landon office building.

MOTIONS ON LICENSE
APPLICATIONS
(L.)

Commissioner Turnquist (Kultala) moved to *deny* one license application, *extend the conditional approval* of one license applicant, and *approve* the remaining 140 license applications from the February 12, 2021 list of background reports referred to the commission for action. The motion carried unanimously.

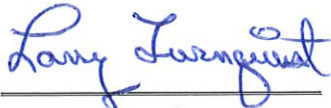
OTHER BUSINESS

No other business.

ADJOURN
(M.)

The next meeting of the commission is on March 12, 2021 at 9:30 a.m. The meeting will be held by teleconference. Commissioner Kultala (Myres) moved to adjourn the meeting. Motion carried unanimously. The meeting was adjourned at 10:47 a.m.

SUBMITTED BY:



Larry Turnquist
Secretary

APPROVED BY:



David Moses
Chairman